87 C/015/018 Incoming #3012



P.O. Box 310 15 North Main Street Huntington, Utah 84528

E-Mailed: July 8, 2008

Utah Coal Regulatory Program Division of Oil, Gas and Mining 1594 North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

RE: ENERGY WEST NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION (Task #2944): REQUEST TO RELOCATE DRILL HOLE 2008-2 FROM CRANDALL CANYON TO MILL FORK RIDGE - UTAH STATE COAL LEASE ML-48258; PACIFICORP, ENERGY WEST MINING CO., EMERY COUNTY, UTAH

Energy West hereby requests to relocate drill hole 2008-2 from Crandall Canyon to Mill Fork Ridge. Based on results of the recently completed holes 2008-4 and 2008-6 in Mill Fork Canyon, further data is required to delineate splitting in the Blind Canyon Seam. Currently Energy West is developing a set of mains to access the Mill Fork reserves from the Deer Creek Mine. A new drill site on Mill Fork ridge will provide urgently needed and vital information for predicting geologic conditions within the projected 8th North Mains and the location of longwall panels in the vicinity of the 8th North Mains. The number of holes within the approved plan would remain the same, six (6). Mr. John Blake, SITLA, has been notified of this change request.

This request would be considered an addendum to the Notice of Intent to Conduct Minor Coal Exploration approved on April 24, 2008 (Task ID# 2944). The proposed location on Mill Fork Ridge is located in the SE1/4NE1/4 of Section 12, Township 16 South, Range 6 East (south 2055 feet, west 526 feet from the northeast corner). The proposed site on Mill Fork Ridge is located in a small meadow along the old reclaimed fire/drill road.

All aspects in terms of engineering principles, geologic setting, hydrology, soils, biology related to the proposed site on Mill Fork Ridge are the same as the approved sites in Mill Fork and Crandall canyons. Energy West carefully selects the exploration sites to minimize environmental affects. In this case, the drilling equipment will be placed on the trace of the old fire/drill road that was reclaimed in the early 1980s to avoid additional impact to undisturbed ground and vegetation.

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Energy West will comply with the performance standards and conditions stated in the approved Notice of Intent to Conduct Minor Coal Exploration (approved on April 24, 2008: Task #2944), including all stipulations listed in the U.S.F.S. approval. The method of exploration to be used, amount of coal to be removed, and practices to be used to protect the area from adverse impacts and reclaim the area will comply with the approved plan:

The method of exploration to be used is helicopter-assisted drilling, in which the primary mode of transportation for drilling equipment and personnel is by helicopter, rather than by road. By using this method, drilling equipment can be transported into remote areas inaccessible by road to conventional drilling rigs, and environmental impact to the surface is minimized. All drills, drilling equipment, and personnel will be transported to the individual drilling sites by helicopter from staging areas located in Mill Fork Canyon.

No access road or pad construction will be necessary for the proposed site on Mill Fork Ridge. Drilling equipment and materials will be transported to the drill site by helicopter. Personnel will access the site by vehicle and helicopter via existing roads and on foot. The new drill site is relatively level (20 percent or less slope); therefore, minimal site preparation will be necessary. Vegetation, in the form of trees, grasses, forbs and sparse, low shrubs, will not be removed. However, it may be necessary to remove dead-fall and some "taller" shrubs (mahogany, etc.)/aspen trees for safety reasons. This will be minimized and accomplished using hand tools. The dead-fall will be replaced upon completion of drilling. An area no larger than approximately 40' by 40' will be occupied at the drill site. Leveling of drilling equipment will be accomplished using hand tools and supports (wood blocks, etc.) transported to the site by helicopter. All materials, tools and equipment will be removed immediately upon completion of drilling and reclamation activities.

Energy West will comply with <u>Practices to Protect from Adverse Impacts and to Reclaim the Area:</u> section stated in the approved plan.

"During drilling, water and drilling fluids will be recirculated to the extent possible. Any returned cuttings and other materials will be captured in a container at the drill site. The cuttings will be transported from the drill site to the staging area by helicopter and then by vehicle to the Deer Creek or Cottonwood Waste Rock sites for disposal. Containment of possible fluid spills will be achieved through the use of brattice ground cover, silt fence, and if necessary, earthen berms. If spills occur, all affected materials will be removed from the site and disposed of at an approved location. If soil is removed during spill containment and clean-up, the site of removal will be recontoured and seeded with the approved seed mixture."

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Pacificorp has obtained the necessary permissions and water rights actions to take water for drilling from local drainages in the vicinity of the proposed drill holes. Where water is taken from streams, this is done by laying an intake hose directly in the stream. No disturbance is made to the stream course.

Energy West estimates that projected startup time for 2008-2 would be July14, 2008. Time to complete the hole will be approximately seven (7) days.

If you require any additional information please call me at (435) 687-4712.

Thank you for your assistance in this special request.

Sincerely,

Kenneth S. Fleck

Geology and Environmental Affairs Manager

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Enclosures (3 Copies)

cc:

John Blake, SITLA Scott Child (Interwest) w/o encl.

J:\GEO\Deer Creek\DRILLING\2008\2008-2 Hole Move Request 070808.wpd

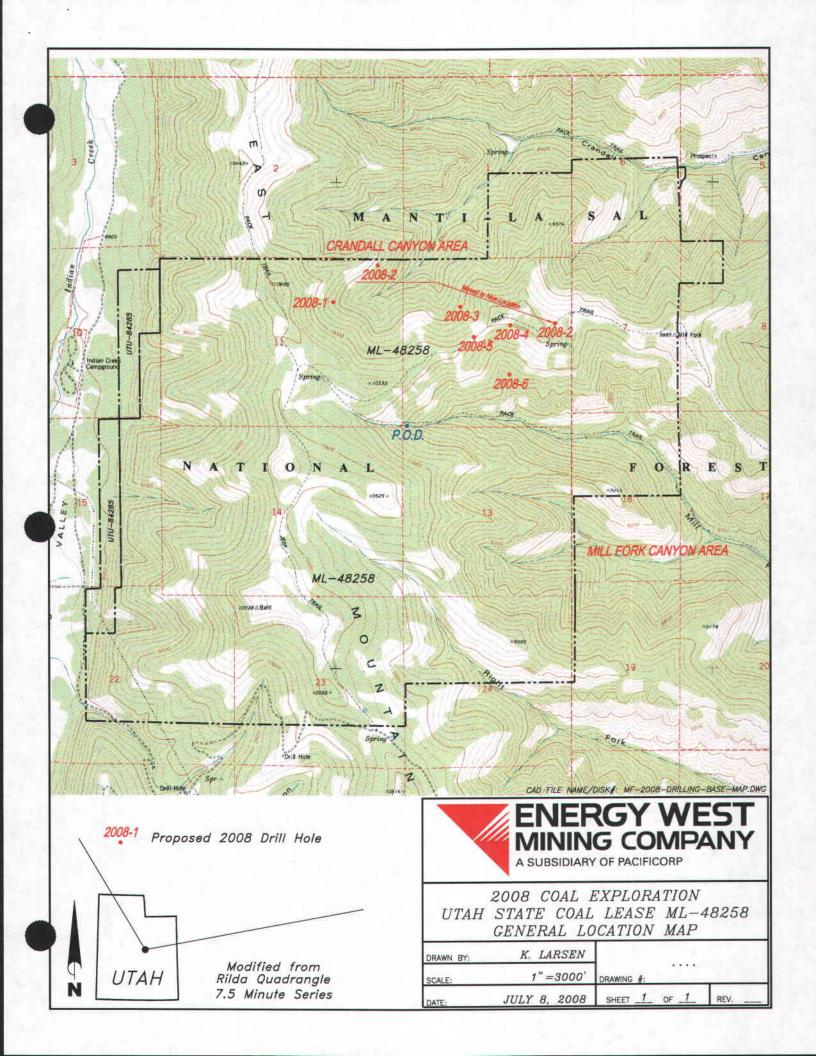
APPLICATION FOR COAL PERMIT PROCESSING Detailed Schedule Of Changes to the Mining And Reclamation Plan

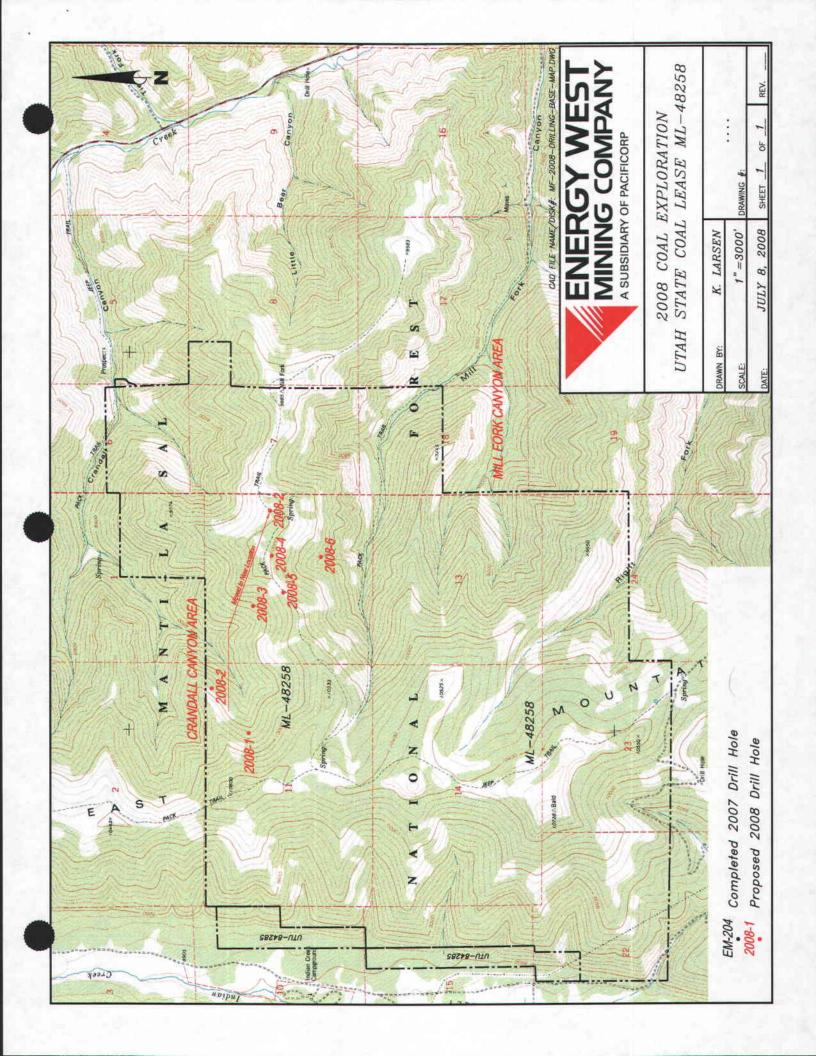
Permit Mine:	tee: PacifiCo Deer Creek M		Vest Mining Company	nit Number: C/015/0018					
Title:			duct Minor Coal Exploration - Revised March, 2008						
applicat	rovide a detailed listing of all changes to the Mining and Reclamation Plan, which is required as a result of this proposed permit pplication. Individually list all maps and drawings that are added, replaced, or removed from the plan. Include changes to the table f contents, section of the plan, or other information as needed to specifically locate, identify and revise the existing Mining and eclamation Plan. Include page, section and drawing number as part of the description.								
□ 11	□ nt		DESCRIPTION OF MAP, TEXT, OR MATER						
Add	☐ Replace	☐ Remove	Description of new hole location, map and aerial photo-	ograph of new location					
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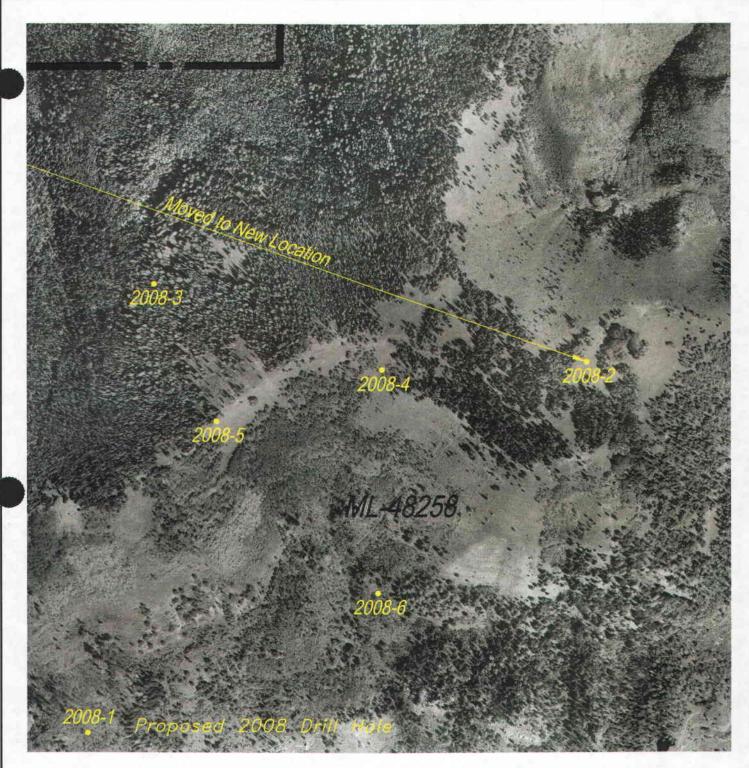
Form DOGM - C2 (Revised March 12, 2002)

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change New Permit Renewal Exploration Bond Release Transfer Permittee: Pacificorp - Energy West Mining Company								
Mine: Deer Creek Mine	Permit Number: C/015/0018							
Title: Notice of Intention to Conduct Minor Coal Exploration - Revis								
Description , Include reason for application and timing required to implement:								
Request to relocate hole #2008-2 from Crandall Canyon to Mill Fork Ridge								
Instructions: If you answer yes to any of the first eight (gray) questions, this application may require Public Notice publication.								
Yes No 1. Change in the size of the Permit Area? Acres: increase decrease. Yes No No No No No No No N								
Yes No 21. Have reclamation costs for bonding been provided?	-							
Yes No 22. Does the application involve a perennial stream, a stream Yes No 23. Does the application affect permits issued by other agencies.								
Yes No 23. Does the application affect permits issued by other agencians	ies or permits issued to other entities?							
Please attach four (4) review copies of the application. If the mine is on or adjacent to Forest Service land please submit five (5) copies, thank you. (These numbers include a copy for the Price Field Office)								
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. Kenneth Fleck Print Name Sign Name, Position, Date Subscribed and sworn to before me this DON CHILDS NOTARY PUBLIC A STATE OF UTAH								
Notary Public My commission Expires: Attest: State of County of State of County of State of County of State of County of County of State of State of County of State of County of State of County of State of County of State								
For Office Use Only:	Assigned Tracking Received by Oil, Gas & Mining Number:							







CAD FILE NAME/DISK#: 2008 DRILLING PLAN.DWG



2008 COAL EXPLORATION UTAH STATE COAL LEASE ML-48258 CRANDALL CANYON AERIAL PHOTO

DRAWN BY:	K. LARSEN			
SCALE:	1"=1/8 MILE			
DATE:	JULY 8, 2008	SHEET _1 OF _1	REV	

